

IN THE UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION

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SECURITIES AND EXCHANGE COMMISSION, )  
Plaintiff, ) CASE NO.  
v. ) 4:14-CV-02345  
ANDREW I. FARMER, CHARLES E. )  
GROB, JR., CAROLYN AUSTIN, BALDEMAR )  
P. RIOS, and CHIMERA ENERGY CORP. )  
Defendants. )  
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DEPOSITION OF ANDREW I. FARMER

FRIDAY, JULY 17, 2015

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BEHMKE REPORTING AND VIDEO SERVICES, INC.

BY: LARISSA L. MCPHEARSON, TEXAS CSR NO. 8371

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Deposition of ANDREW I. FARMER, VOLUME 1, taken  
on behalf of Plaintiff, at Securities and Exchange  
Commission, 801 Cherry Street, Suite 1900, Fort Worth,  
Texas 76102, commencing at 9:16 A.M., FRIDAY, JULY 17,  
2015, before Larissa L. McPhearson, Certified Shorthand  
Reporter No. 8371, pursuant to Notice of Videotaped  
Deposition.

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QUESTIONS WITNESS INSTRUCTED NOT TO ANSWER:

PAGE LINE

None.

1 John Brotherton was sort of content neutral except that  
2 it put Chimera's name and website in the mind of the  
3 investor, probably?

4 A. That would probably be a reasonable conclusion,  
5 yes.

6 Q. Okay. Now, you were asked -- you were asked  
7 during your investigative testimony whether or not you  
8 had produced all responsive documents in response to  
9 subpoenas that the staff -- SEC staff had served you  
10 during the investigation. And at that time, you took  
11 five --

12 A. That's correct.

13 Q. So I need to ask that question again. Have you  
14 produced all responsive documents in response to  
15 subpoenas served on you by the staff of the SEC?

16 A. I believe I have made a good faith effort to  
17 locate documents that would be responsive to the  
18 subpoena and provided those documents to the staff.

19 Q. And if you haven't produced them, it's because  
20 you've determined they were not responsive or not been  
21 able to find them?

22 A. Let me -- well, or not had them. Every  
23 document that mentioned Chimera that I had, I produced  
24 to staff.

25 Q. Did you destroy any responsive documents?

1           A.    No, I did not.

2           Q.    Okay. Did you limit your search to things that  
3 mention Chimera or did you also include items that  
4 mentioned related terms like we've discussed today? For  
5 example, names or the word "fracking" or "non-hydraulic"  
6 and stuff like that?

7           A.    I very carefully sat down with counsel and went  
8 over the subpoena and provided documents that were  
9 responsive to the request in the subpoena.

10          Q.    I guess I -- can you answer -- do you know the  
11 answer to that question, was your search of your  
12 documents limited to just items that mention Chimera?

13          A.    I reviewed all the documents that I had from  
14 the time period in question and pulled anything that was  
15 in any way related to Chimera.

16          Q.    Okay. You've noticed we've looked at a number  
17 of e-mails today that have either been from you or to  
18 you or cc'd to you. And I'll represent to you that a  
19 large proportion of them were not produced by you in  
20 either investigation or in litigation. So I need to ask  
21 why were those documents not produced to us?

22          A.    Because I have a long standing e-mail deletion  
23 policy. Every e-mail I receive after 90 days, unless  
24 it's part of an investigation or I've been notified  
25 otherwise, gets deleted. I do not keep my e-mails.

1 Q. Okay. So regarding the question I asked  
2 earlier about did you delete responsive documents, I'm  
3 assuming you did not delete anything after you became  
4 aware of this investigation?

5 A. That is correct.

6 MR. GULDE: Okay. If you guys would just give us  
7 two minutes here, I think we can wrap it up.

8 (Break taken from 5:20 p.m. to 5:25 p.m.)

9 MR. GULDE: And we'll pass the witness.

10 EXAMINATION

11 BY MR. EDMUNDSON:

12 Q. Okay. Mr. Farmer, just a few questions about  
13 your responses to the written discovery of the SEC. You  
14 addressed some of the questions and the responses that  
15 you made. Do you have a copy of the SEC's various  
16 document productions in your possession at your office?

17 A. I do.

18 Q. Okay. Have you had some difficulty accessing  
19 some of the electronic records?

20 A. More than some. And I appreciate, Nikolay, you  
21 sending me the Excel file that matches up or attempts to  
22 match up the production and the Bates numbers. It was  
23 complicated to say the least.

24 Q. And are you still working through issues?

25 A. Yeah. I mean, we just yesterday were able to